

Message Text

LIMITED OFFICIAL USE

PAGE 01 NEW DE 10629 01 OF 02 211029Z

10

ACTION NEA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 AID-05

OMB-01 EB-07 TRSE-00 AGR-05 SIL-01 LAB-04 /080 W

----- 086855

R 210702Z JUL 76

FM AMEMBASSY NEW DELHI

TO SECSTATE WASHDC 7244

LIMITED OFFICIAL USE SECTION 1 OF 2 NEW DELHI 10629

FOLLOWING TEL CALCUTTA 1732 DTD 20 JUL 76 RCVD NEW DELHI
BEING REPEATED TO YOU. QUOTE

LIMITED OFFICIAL USE SECTION ONE OF TWO CALCUTTA 1732

E.O. 11652: NA

TAGS: ECON, PINT, IN

SUBJECT: TRIP REPORT: CONDITIONS IN RURAL WEST BENGAL AND BIHAR

1. SUMMARY: WITH RENEWED ONSET OF MONSOON, IMMEDIATE PROSPECTS FOR RURAL AREAS OF WESTERN WEST BENGAL AND NEIGHBORING AREAS OF BIHAR SEEM PROMISING. ON INDUSTRIAL FRONT, PRODUCTION HAS CONTINUED AT HIGH LEVELS, BUT EXCEPT FOR SPECIAL CASES, DEMAND IS LAGGING. POLITICAL SITUATION APPEARS QUIET, AND OBSERVERS SEE LITTLE OPPOSITION TO CONGRESS PREDOMINANCE. IN ANY CASE, LARGE PART OF AUTHORITY NOW IN HANDS OF DISTRICT ADMINISTRATORS, WHO HAVE BEEN GIVEN MANY ADDITIONAL TASKS. DISTRICT MAGISTRATES AND THEIR SUBORDINATES HAVE HAD TO DEVOTE MOST OF THEIR TIME TO IMPLEMENTING THE TWENTY POINT PROGRAM. THEY CLAIM TO HAVE ACHIEVED SOME SUCCESS, BUT CONCEDE THAT MUCH REMAINS TO BE DONE.

THIS REPORT IS BASED ON VISIT OF CONGEN ECON/COMMERCIAL OFFICER LIEBOWITZ AND FSL ASSISTANT FROM JULY 12 THROUGH 15 TO DISTRICTS OF BANKURA, PURULIA, AND MIDNAPUR IN WEST BENGAL, AND TO INDUSTRIAL CITIES OF RANCHI AND JAMSHEDPUR IN BIHAR. END SUMMARY.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 NEW DE 10629 01 OF 02 211029Z

2. EASTERN PARTS OF MIDNAPUR AND BANKURA ARE FLAT, DELTAIC LANDS LIKE MUCH OF WEST BENGAL, BUT AS YOU MOVE FURTHER WEST IN THESE DISTRICTS AND INTO PURULIA AND THE CONTIGUOUS AREAS OF BIHAR, THE LAND STARTS TO RISE UNTIL IT BECOMES QUITE HILLY IN THE HEART OF THE CHOTANAGPUR PLATEAU. ALTHOUGH IT IS A LAND OF MUCH NATURAL BEAUTY WHEN GREEN, THE SOIL IS NOT VERY FERTILE AND DROUGHT IS A CONSTANT CONCERN. A SUBSTANTIAL PART IS WASTE, AND EVEN THAT WHICH IS FARMED IS MARGINAL AT BEST.

3. DURING WEEK OF JULY 12, AGRICULTURAL CONDITIONS SEEMED RELATIVELY FAVORABLE. AFTER SEVERAL DAYS OF GOOD RAINS, TRANSPLANTING WAS ON IN FULL SWING IN THE LOW-LYING AREAS AND BY THE END OF THE WEEK WAS ALMOST COMPLETE THERE. IN PURULIA, TRANSPLANTING HAD NOT BEGUN, AND ACCORDING TO A LOCAL ADMINISTRATOR, WOULD NOT OCCUR UNTIL AUGUST. IN BIHAR TRANSPLANTING WAS WELL ADVANCED, AND THE STANDING CROPS OF AUS (EARLY) RICE APPEARED TO BE PROGRESSING WELL. ACCORDING TO LOCAL OFFICIALS, THEY HAD BEGUN TO WORRY OVER LACK OF RAIN, BUT THE SITUATION WAS NOW MUCH IMPROVED. ESPECIALLY IN PURULIA, HOWEVER, THERE WAS STILL CAUSE FOR CONCERN IF RAINS DID NOT KEEP UP. BECAUSE THESE DISTRICTS DO NOT PRODUCE MUCH SURPLUS GRAIN, STORAGE FACILITIES WERE ADEQUATE, ACCORDING TO OFFICIALS. RECENT PRICE INCREASES WERE COMMENTED UPON, BUT DID NOT SEEM A SUBJECT OF GREAT CONCERN AT THIS TIME.

4. AS FAR AS INDUSTRIAL PRODUCTION IS CONCERNED, THE SITUATION SEEMS TO HAVE CHANGED LITTLE IN PAST SIX MONTHS. ACCORDING TO P. ANANT, GENERAL MANAGER OF OPERATIONS AND DIRECTOR AT TATA IRON AND STEEL COMPANY (TISCO), THE COMPANY STILL HAS STOCKS OF 250,000 TONS OF STEEL THAT IT CANNOT SELL. SOME IMPROVEMENT HAD BEEN NOTICED IN MARCH-APRIL, BUT THEN THE JAPANESE ENTERED EXPORT MARKET AGAIN AND TISCO'S FOREIGN SALES HAD FALLEN OFF. ANANT HOPED THAT INCREASED GOVERNMENT PURCHASES WOULD BEGIN TO BE FELT IN THE MARKET BY SEPTEMBER OR OCTOBER.

5. TWO JAMSHEDPUR ENGINEERING COMPANIES, WHICH HAPPEN TO BE IN THE RIGHT FIELDS, HAVE NOT SUFFERED AT ALL DURING THE RECESSION. TELCO, THE MAJOR TRUCK AND BUS MANUFACTURER IN INDIA, PRODUCED A RECORD NUMBER OF 26,000 VEHICLES DURING 1975-76 AND SOLD THEM ALL. TATA-ROBBINS-FRAZER, A SUPPLIER OF LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 NEW DE 10629 01 OF 02 211029Z

BULK HANDLING EQUIPMENT, HAD ALSO DONE VERY WELL BECAUSE OF THE EMPHASIS GIVEN BY THE GOVERNMENT TO COAL MINING AND SIMILAR PROJECTS.

6. ON THE POLITICAL SIDE, BOTH OFFICIALS AND LOCAL CONGRESS LEADERS CLAIMED THAT THERE WAS LITTLE OPPOSITION TO CONGRESS IN THESE DISTRICTS OF WEST BENGAL. ACCORDING TO A.K. KISKU, A CONGRESS M.P. FROM A HEAVILY TRIBAL AREA OF MIDNAPUR DISTRICT,

NAXALISM, WHICH HAD ONCE BEEN STRONG IN HIS CONSTITUENCY, WAS NOW ALMOST COMPLETELY WIPE OUT THERE. DISTRICT OFFICIALS SEEMED TO THINK THAT ONE OF THE MAJOR GAINS OF THE EMERGENCY HAD BEEN TO PUT AN END TO POLITICAL DEMONSTRATIONS AND UNREST. THE DISTRICT MAGISTRATE IN BANKURA SAID HE PERMITTED INDOOR MEETINGS AND PARADES ON SPECIAL OCCASIONS LIKE MAY DAY, BUT DID NOT ALLOW DEMONSTRATIONS.

7. THERE IS SOME INDICATION, HOWEVER, THAT NON-POLITICAL VIOLENCE MAY STILL BE A SERIOUS PROBLEM. THE BANKURA DM ADVISED AGAINST TRAVELING BETWEEN HIS TOWN AND PURULIA AFTER DARK BECAUSE OF THE DANGER OF DACOITS. CONGEN STAFF HAS ALSO HEARD FROM SOURCES IN NADIA AND BURDWAN DISTRICTS THAT CRIME IS A MORE SERIOUS PROBLEM NOW THAN EVEN IN THE DAYS OF THE UNITED FRONT.

8. WHILE EMERGENCY HAD REMOVED OBSTACLES TO THE PERFORMANCE OF THEIR DUTIES, IT HAD ALSO GIVEN LOCAL ADMINISTRATORS A LOT MORE TO DO. ON THE POSITIVE SIDE THEY THOUGHT IT HAD ENABLED THEM TO TONE UP THE ADMINISTRATION, BY ENSURING, FOR INSTANCE, THAT PROMOTIONS WERE MADE ONLY ON MERIT AND NOT MERELY SENIORITY. THE ABSENCE OF POLITICAL TURMOIL ALSO MADE THINGS EASIER FOR THEM. BASED ON FRAGMENTARY EVIDENCE, THE DISTRICTS MAGISTRATES HAVE SOME AUTONOMY IN MAKING DECISIONS. THE BANKURA DM SEEMED TO IMPLY THAT IT WAS HIS OWN DECISION AS TO WHAT KIND OF POLITICAL ACTIVITY TO PERMIT, AS WELL AS HOW STRICTLY TO APPLY MISA. HE SAID HE HAD ARRESTED ONLY TWO PEOPLE UNDER IT.

9. ON THE OTHER HAND, THE REQUIREMENT TO CARRY OUT THE TWENTY POINT PROGRAM--ESPECIALLY LAND DISTRIBUTION--AND PROMOTE FAMILY PLANNING HAS CREATED MUCH MORE WORK FOR LOCAL ADMINISTRATORS. AS EXPECTED, THEY ALL CLAIM TO HAVE CARRIED OUT THE PROGRAMS, AND THE BISHNUPUR SUBDIVISIONAL OFFICER SAID HE HAD FOUND IN THE WORK A GREAT DEAL OF "JOB SATISFACTION." THE PARTICULARLY LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 NEW DE 10629 01 OF 02 211029Z

FRANK DEPUTY COMMISSIONER OF PURULIA, HOWEVER, POINTED OUT SOME OF THE DIFFICULTIES. FOR EXAMPLE, THE BLOCK DEVELOPMENT OFFICERS, WHO HAD ORIGINALLY BEEN ESTABLISHED TO DO AGRICULTURAL EXTENSION WORK, NOW WERE THE BASIC OPERATIONAL OFFICERS FOR A WHOLE HOST OF ADDITIONAL PROGRAM. ANOTHER EXAMPLE WAS CONSTRUCTION, WHERE THE DISTRICT HAD A LARGE NUMBER OF PROJECTS TO COMPLETE--ROADS, EMBANKMENTS, TANKS--BUT NO QUALIFIED ENGINEERS ON THE STAFF.

10. THE GENERAL IMPRESSION WAS THAT WHILE SOME PARTS OF THE TWENTY POINT PROGRAM AND OTHER REFORMS WERE BEING IMPLEMENTED, THE RESULTS WERE NOT SPECTACULAR. BOTH LAND AND HOUSE SITES HAVE BEEN DISTRIBUTED AND HOUSES ARE BEING CONSTRUCTED AT A COST OF RS 500-1,000. IN MIDNAPUR SOME 200,000 FAMILIES, OR ABOUT 40-50 PERCENT OF THE LANDLESS, RECEIVED ABOUT ONE ACRE EACH. (IN OTHER DISTRICTS AVERAGE MAY GO UP TO TWO ACRES.)

WHERE GOOD LAND IS SO SCARCE, OF COURSE, MUCH OF THE LAND
DISTRIBUTED WAS OF PARTICULARLY LOW QUALITY.

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 NEW DE 10629 02 OF 02 210953Z

10

ACTION NEA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 AID-05

OMB-01 EB-07 TRSE-00 AGR-05 SIL-01 LAB-04 /080 W

----- 086548

R 210702Z JUL 76

FM AMEMBASSY NEW DELHI

TO SECSTATE WASHDC 7245

LIMITED OFFICIAL USE SECTION 2 OF 2 NEW DELHI 10629

11. THE PURULIA DEPUTY COMMISSIONER WAS ESPECIALLY SKEPTICAL
THAT NEW FINANCIAL FACILITIES WOULD GET TO THE POOREST IN
THE VILLAGES. BANKS OR COOPERATIVES JUST WOULD NOT LEND TO
THOSE WITHOUT ANYTHING, SO THAT THE NEW RESOURCES TENDED TO
GO TO THE RICHEST FAMILIES IN THE VILLAGES. A NUMBER OF OFFI-
CIALS COMMENTED ON THE IMPOSSIBILITY OF ENFORCING MINIMUM

WAGE OF RS. 8 PER DAY WHEN THE PREVAILING WAGE WAS AROUND RS. 2-3,
AND THE LABORERS HAD VERY LITTLE BARGAINING POWER. THEY THOUGHT
IT MIGHT BE BETTER IF ATTEMPTS WERE MADE TO INCREASE WAGES
MORE GRADUALLY.

12. THE DISTRICT ADMINISTRATORS SEEM INTERESTED IN FAMILY
PLANNING, BUT RELYING ON INCENTIVES RATHER THAN COERCION TO
PROMOTE IT. THE BANKURA DM SEEMED SATISFIED THAT SUCH INCEN-
TIVES, WHETHER DIRECT FINANCIAL PAYMENTS TO INDIVIDUALS (RS. 105
FOR VASECTOMIES, RS. 12 FOR TUBECTOMIES, AND RS. 5 FOR "MOTI-
VATORS") OR SUCH CONTRIBUTIONS TO GROUPS AS COMMUNITY TELEVISION
SETS, WOULD ENABLE THE PROGRAM TO SUCCEED. HE HAD ALSO TOLD
GOVERNMENT WORKERS THAT THEIR CAREERS WOULD BE HELPED BY
BRINGING IN TWO STERILIZATION CASES EACH YEAR. THE PURULIA
DEPUTY COMMISSIONER, ON THE OTHER HAND, THOUGHT THAT IT WAS
NECESSARY TO CONVINCE THE ILLITERATE PEASANTS OF THE VALUE ON

FAMILY PLANNING, AND SO FAR, HE DID NOT THINK THE PROPAGANDA
WAS REACHING THEM. A LARGER STAFF WAS REQUIRED HERE TOO.
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 NEW DE 10629 02 OF 02 210953Z

13. THE VISITORS FROM THE CONGEN RECEIVED A FRIENDLY BUT
CAUTIOUS RECEPTION FROM ALL THE LOCAL OFFICIALS VISITED. ONLY
THE PURULIA DEPUTY COMMISSIONER WAS SOMEWHAT MORE FRANK IN
DESCRIBING HIS PROBLEMS. CONGRESS POLITICIANS AND OTHERS
MET ALONG THE WAY WERE ALSO WILLING TO TALK WITH VISITORS.
BANKURA AND PURULI
ADMINISTRATORS BOTH MENTIONED ON THEIR OWN
THE GOOD WORK CARE WAS DOING IN THEIR DISTRICTS AND MORE THAN
ONE OF THES YOUNG IAS OFFICERS WAS INTERESTED IN LOCAL ADMINI-
STRATION IN THE U.S.

14. MORE EVEN THAN ELSEWHERE IN INDIA, THE MOST STRIKING
FEATURE OF THE AREA VISITED WAS THE CONTRAST BETWEEN QUITE
MODERN INDUSTRIAL PLANTS AND RURAL AREAS THAT MUST BE AS BACKWARD
AS ANY IN THE WORLD. EXCEPT FOR THE LUCKY FEW WHO WORK IN
INDUSTRY THE WELL-BEING OF THE INHABITANTS OF THIS REGION
DEPENDS ON AGRICULTURE AND THEREFORE ON THE MONSOON. AS LONG AS
THE RAIN CEEPS UP, CONDITIONS FOR THESE POOR PEOPLE WILL REMAIN
ABOUT AS GOOD AS THEY EVER GET.
KORN

UNQUOTE
SAXBE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC CONDITIONS, INDUSTRY, AGRICULTURAL LAND
Control Number: n/a
Copy: SINGLE
Draft Date: 21 JUL 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: vogelfj
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976NEWDE10629
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760280-0521
From: NEW DELHI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760737/aaaabgbg.tel
Line Count: 255
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: vogelfj
Review Comment: n/a
Review Content Flags:
Review Date: 08 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <08 JUN 2004 by buchant0>; APPROVED <05 OCT 2004 by vogelfj>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: TRIP REPORT: CONDITIONS IN RURAL WEST BENGAL AND BIHAR
TAGS: ECON, PINT, IN
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006